

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	In which kind of economics, aggregate behaviors of the economy are reviewed	A. Theoretical B. Applied C. Micro D. Macro
2	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
3	Wealth tax, income tax, property tax etc are	A. Direct taxes B. Indirect taxes C. Proportional taxes D. Progressive taxes
4	According to comparative cost theory conditions ----- in goods and labour market exist	A. of monopoly B. of duopoly C. Monopolistic competition D. of perfect competition
5	Which one is not condition of perfect competition	A. Homogeneity of good B. Difference in price of good C. Large number of buyers and sellers D. Perfect knowledge of market
6	Which economist said that the term demand for money should be used instead of circulation of money	A. Prof Keynes B. Prof Marshall C. Prof Crowther D. Prof Fisher
7	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
8	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
9	Next best alternative use of resources is known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
10	Additional amount of money which a firm gets by selling an additional unit of output is called	A. Average revenue B. Marginal revenue C. Total revenue D. Revenue
11	The price at which quantity demanded and supplied are equal	A. Equilibrium price B. Reserve price C. Fixed price D. Variable price
12	Individuals of a country produce a certain quantity of goods and services using the resources of the country with the help of their capital, it is called national income this definition is presented by	A. Professor Marshall B. Professor Paul A Samuelson C. Professor Fisher D. Professor Pigou
13	Formula method to measure elasticity of supply is related to	A. Marshall B. Robbins C. R.G.D Allen D. Flux
14	One of the following is not the characteristic of money	A. General acceptability B. Durability C. Non homogeneity D. Convertibility
		A. 1930 -----

15	"General theory of employment, interest and money" was written in:	B. 1936 C. 1932 D. 1890
16	Comparative cost theory was presented by	A. Marshall B. Ricardo C. Hecksher D. Ohlin
17	Curve of law of diminishing marginal utility	A. Moves from left to right downward B. Moves from left to right upward C. Firstly it has a tendency to rise up and after a certain limit it starts falling D. It is parallel to ox-axis
18	Second factor of production is	A. Land B. Labour C. Capital D. Organization
19	The tax which is levied on the sale of goods is called	A. Income tax B. Property tax C. Gift tax D. Sales tax
20	If demand rises more proportionately than that of supply, then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases